

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

0 2 — 0 0 3

2. STATE:

Arkansas

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

May 1, 2002

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 440.70(b)(3)

7. FEDERAL BUDGET IMPACT:

a. FFY 2002 \$(478,640.00)

b. FFY 2003 \$(1,174,577.00)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Please see attached listing

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Please see attached listing

10. SUBJECT OF AMENDMENT: The Arkansas Title XIX State Plan has been amended to move medical supplies and equipment items from the Prosthetics category to the Home Health category. (See HCFA letter reference ME-17-0-1 & ME-41-5-1) & to reflect that DME, medical supplies, oxygen, diapers, hearing aids & ventilator equipment will be reimbursed based on a negotiated statewide contract bid.

11. GOVERNOR'S REVIEW (Check One):

- ☒ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE/AGENCY OFFICIAL:

13. TYPED NAME:

Ray Hanley

14. TITLE:

Director, Division of Medical Services

15. DATE SUBMITTED:

February 11, 2002

16. RETURN TO:

Division of Medical Services
PO Box 1437
Little Rock, AR 72203-1437Attention: Binnie Alberius
Slot S295

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED:

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

22. TITLE:

23. REMARKS:



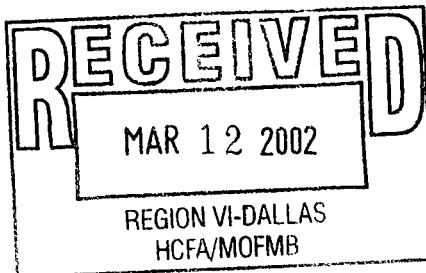
Arkansas Department of Human Services

Division of Medical Services

Donaghey Plaza South
PO Box 1437, Slot S401
Little Rock, Arkansas 72203-1437
Internet Address: www.medicaid.state.ar.us
Telephone (501) 682-8292 TDD (501) 682-6789 FAX (501) 682-1197

March 7, 2002

Andrew A. Fredrickson, Chief
Medicaid Operations and Financial Management Branch
Centers for Medicare and Medicaid Services
1301 Young Street, Room 833
Dallas, TX 75202



SUBJ: Arkansas State Plan Transmittal 2002-003

Dear Mr. Fredrickson:

The purpose of this letter is to request withdrawal of Arkansas State Plan Transmittal 2002-003. This amendment is to move medical supplies and equipment items from the Prosthetics category to the Home Health category and to reflect that DME, medical supplies, oxygen, diapers, hearing aids and ventilator equipment will be reimbursed based on a negotiated statewide contract bid.

The State is withdrawing this amendment because the RFP to seek proposals for a statewide contractor for the services listed above was unsuccessful.

The State will submit a new amendment in the near future to move medical supplies and equipment items from the Prosthetics category to the Home Health category.

If you have any questions regarding this amendment, please contact me at (501) 682-8292 or Binnie Alberius at (501) 682-8361. Thank you for your assistance.

Sincerely,


Ray Hanley
Director

Cc: Binnie Alberius
Teresa Hursey
Roy Jeffus

**ATTACHED LISTING FOR
ARKANSAS STATE PLAN
TRANSMITTAL #2002-003**

**8. Number of the Plan
Section or Attachment**

Attachment 3.1-A, Page 3c

Attachment 3.1-A, Page 3d

Attachment 3.1-A, Page 5c

Attachment 3.1-B, Page 3e

Attachment 3.1-B, Page 3f

Attachment 3.1-B, Page 5b

Attachment 4.19-B, Page 1j

Attachment 4.19-B, Page 1k

Attachment 4.19-B, Page 1m

Attachment 4.19-B, Page 2c

Attachment 4.19-B, Page 2d

Attachment 4.19-B, Page 2e

Attachment 4.19-B, Page 2f

**9. Number of the Superseded Plan
Section or Attachment**

Attachment 3.1-A, Page 3c
Approved 01-29-02, TN 01-37;
Attachment 3.1-A, Page 5c
Approved 07-24-97, TN 97-08

Attachment 3.1-A, Page 3d
Approved 08-03-01, TN 01-15

Attachment 3.1-A, Page 5cc
Approved 02-04-00, TN 99-26

Attachment 3.1-B, Page 3e,
Approved 01-29-02, TN 01-37;
Attachment 3.1-B, Page 5a
Approved 12-20-01, TN 01-39 and
Attachment 3.1-B, Page 5b
Approved 07-24-97, TN 97-08

Attachment 3.1-B, Page 3f
Approved 08-03-01, TN 01-15

Attachment 3.1-B, Page 5bb
Approved 02-04-00, TN 99-26

Attachment 4.19-B, Page 1j
Approved 12-20-01, TN 01-39

Attachment 4.19-B, Page 1k
Approved 07-24-97, TN 97-08

Attachment 4.19-B, Page 1m
Approved 06-23-94, TN 94-04

Attachment 4.19-B, Page 2c
Approved 02-12-01, TN 00-16

Attachment 4.19-B, Page 2d
Approved 02-12-01, TN 00-16 and
Attachment 4.19-B, Page 4e, Item (10)
Approved 09-09-97, TN 97-09

Attachment 4.19-B, Page 4d
Approved 02-11-91, TN 91-02

Attachment 4.19-B, Page 4e, Item (7) and
Item (8), Approved 09-09-97, TN 97-09

Superseded by State letter dated 3-7-02

8. Number of the Plan
Section or Attachment

Attachment 4.19-B, Page 2g

Attachment 4.19-B, Page 2h

Attachment 4.19-B, Page 2i

Attachment 4.19-B, Page 4b

Attachment 4.19-B, Page 4c

Attachment 4.19-B, Page 5

Attachment 4.19-B, Page 5a

Attachment 4.19-B, Page 5b

Attachment 4.19-B, Page 7i

9. Number of the Superseded Plan
Section or Attachment

Attachment 4.19-B, Page 4e, Item (9),
Approved 09-09-97, TN 97-09 and
Page 5, Item (11), Approved 07-24-97,
TN 97-08

Attachment 4.19-B, Page 5, Item (12)
Approved 07-24-97, TN 97-08
and Page 5a, Item (13)
Approved 02-04-00, TN 99-26

None, New Page

Attachment 4.19-B, Page 4b, Items c.(1)
thru (4), Approved 06-30-93, TN 92-28
and Page 4d, Item (6), Approved 02-11-91,
TN 91-02

Attachment 4.19-B, Page 5aa, Item (14)
Approved 11-16-01, TN 01-32

Attachment 4.19-B, Page 5aaa,
Pending Approval, TN 01-42

Attachment 4.19-B, Page 5b
Approved 12-18-95, TN 95-24

Attachment 4.19-B, Page 5c
Approved 02-22-95, TN 95-01

Attachment 4.19-B, Page 7i
Approved 12-20-01, TN 01-39

Withdrawn by
per letter dated 3/1/08

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 3.1-A
Page 3c

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

CATEGORICALLY NEEDY

Revised: May 1, 2002

- 7.a. Home Health Services
- 7.b. Based on a physician's prescription as to medical necessity provided to eligible recipients at their place of residence not to include institutions required to provide these services. For services above 25 visits per recipient per State Fiscal Year, the provider must request an extension. Extension of the benefit limit will be provided for all recipients, including EPSDT, if determined medically necessary.
- 7.c. Medical supplies, equipment, and appliances suitable for use in the home.
- (1) Medical supplies are covered for eligible Medicaid recipients when determined medically necessary and prescribed by a physician. Services are provided in the recipient's home (Home does not include a long term care facility.) Supplies are limited to a maximum reimbursement of \$250.00 per month, per recipient. As medical supplies are provided to recipients through the Home Health Program and the Prosthetics Program, the maximum reimbursement of \$250.00 per month may be provided through either program or a combination of the two. However, a recipient may not receive more than \$250.00 in supplies whether received through either of the two programs or a combination of the two unless an extension has been granted. Extensions will be considered for recipients under age 21 in the Child Health Services (EPSDT) Program if documentation verifies medical necessity. The provider must request an extension of the established benefit limit.
 - (2) Durable Medical Equipment (DME) - Services are covered in the recipient's home if prescribed by the recipient's physician as medically necessary. Some DME requires prior authorization. DME is limited to specific items. Specific DME is listed in Section III of the Prosthetics Provider Manual.
 - (3) Augmentative Communication Device
Services for recipients under age 21 are covered as a result of a Child Health Services (EPSDT) screening/referral. Services for recipients over age 21 are covered if prescribed by the recipient's physician as medically necessary. Prior authorization is required.
 - (4) Specialized Wheelchairs
Specialized Wheelchairs are provided for eligible recipients of all ages if prescribed by the recipient's physician as medically necessary. Prior authorization is required for some items. These items are listed in Section III of the Prosthetics Provider Manual.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 3.1-A
Page 3d

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

Revised: May 1, 2002

CATEGORICALLY NEEDY

7. Home Health Services (Continued)
- 7.c. Medical supplies, equipment, and appliances suitable for use in the home (Continued)

(5) Diapers/Underpads

Letter

Diapers/underpads are limited to \$130.00 per month, per recipient. The \$130.00 benefit limit is a combined limit for diapers/underpads provided through the Prosthetics Program and Home Health Program. The benefit limit may be extended with proper documentation. Only patients with a medical diagnosis other than infancy which results in incontinence of the bladder and/or bowel may receive diapers. This coverage does not apply to infants who would otherwise be in diapers regardless of their medical condition. Providers can not bill for underpads/diapers if a recipient is under the age of three years.

- 7.d. Physical therapy, occupational therapy, or speech pathology and audiology services provided by a home health agency or medical rehabilitative facility.

W

Services under this item are limited to physical therapy when provided by a home health agency and prescribed by a physician. Effective for dates of service on or after October 1, 1999, individual and group physical therapy are limited to four (4) units per day. One unit equals 15 minutes. Evaluations are limited to four (4) units per State Fiscal Year (July 1 through June 30). One unit equals 30 minutes. Extensions of the benefit limits will be provided if medically necessary for eligible Medicaid recipients under age 21.

8. Private Duty Nursing Services

Services are covered only for ventilator-dependent recipients when determined medically necessary and prescribed by a physician. Services are provided in the recipient's home, a Division of Developmental Disabilities (DDS) community provider facility or a public school. (Home does not include an institution.) Prior authorization is required. Private duty nursing medical supplies are limited to a maximum reimbursement of \$80.00 per month, per recipient. With substantiation, the maximum reimbursement may be extended.

Refer to Attachment 3.1-A, Item 4.b.(5) for information on coverage of private duty nursing services for high technology non-ventilator dependent recipients in the Child Health Services (EPSDT) Program.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 3.1-A
Page 5c

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

Revised: May 1, 2002

CATEGORICALLY NEEDY

12. Prescribed drugs, dentures and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist (Continued)

c. Prosthetic Devices (Continued)

(5) Orthotic Appliances

Services for recipients under age 21 are not benefit limited.

Services for recipients age 21 and over are limited to \$3,000 per State Fiscal Year (July 1 through June 30). When the Medicaid maximum allowable for an orthotic appliance is \$500 or more, prior authorization is required. Specific covered orthotic appliances are listed in Section III of the Prosthetics Provider Manual.

(6) Prosthetic Devices

Services for recipients under age 21 are not benefit limited.

Services for recipients age 21 and over are limited to \$20,000 per State Fiscal Year (July 1 through June 30). When the Medicaid maximum allowable for a prosthetic device is \$1,000 or more, prior authorization is required. Specific covered prosthetic devices are listed in Section III of the Prosthetics Provider Manual.

*Withdrawn
dated*

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 3.1-B
Page 3e

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

Revised: May 1, 2002

MEDICALLY NEEDY

- 7.a. Home Health Services
- 7.b. Based on a physician's prescription as to medical necessity, provided to eligible recipients at their place of residence not to include institutions required to provide these services. For services above 25 visits per recipient per State Fiscal Year, the provider must request an extension. Extension of the benefit limit will be provided for all recipients, including EPSDT, if determined medically necessary.
- 7.c. Medical supplies, equipment, and appliances suitable for use in the home.
- (1) Medical supplies are covered for eligible Medicaid recipients when determined medically necessary and prescribed by a physician. Services are provided in the recipient's home (Home does not include a long term care facility.) Supplies are limited to a maximum reimbursement of \$250.00 per month, per recipient. As medical supplies are provided to recipients through the Home Health Program and the Prosthetics Program, the maximum reimbursement of \$250.00 per month may be provided through either program or a combination of the two. However, a recipient may not receive more than \$250.00 in supplies whether received through either of the two programs or a combination of the two unless an extension has been granted. Extensions will be considered for recipients under age 21 in the Child Health Services (EPSDT) Program if documentation verifies medical necessity. The provider must request an extension of the established benefit limit.
 - (2) Durable Medical Equipment (DME) - Services are covered in the recipient's home if prescribed by the recipient's physician as medically necessary. Some DME requires prior authorization. DME is limited to specific items. Specific DME is listed in Section III of the Prosthetics Provider Manual.
 - (3) Augmentative Communication Device

Services for recipients under age 21 are covered as a result of a Child Health Services (EPSDT) screening/referral. Services for recipients over age 21 are covered if prescribed by the recipient's physician as medically necessary. Prior authorization is required.
 - (4) Specialized Wheelchairs

Specialized Wheelchairs are provided for eligible recipients of all ages if prescribed by the recipient's physician as medically necessary. Prior authorization is required for some items. These items are listed in Section III of the Prosthetics Provider Manual.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 3.1-B
Page 3f

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

Revised: May 1, 2002

MEDICALLY NEEDY

7. Home Health Services (Continued)

7.c. Medical supplies, equipment, and appliances suitable for use in the home. (Continued)

(5) Diapers/Underpads

Diapers/underpads are limited to \$130.00 per month, per recipient. The \$130.00 benefit limit is a combined limit for diapers/underpads provided through the Prosthetics Program and Home Health Program. The benefit limit may be extended with proper documentation. Only patients with a medical diagnosis other than infancy which results in incontinence of the bladder and/or bowel may receive diapers. This coverage does not apply to infants who would otherwise be in diapers regardless of their medical condition. Providers can not bill for underpads/diapers if a recipient is under the age of three years.

7.d. Physical therapy, occupational therapy or speech pathology and audiology services provided by a home health agency or medical rehabilitative facility.

Services under this item are limited to physical therapy when provided by a home health agency and prescribed by a physician. Effective for dates of service on or after October 1, 1999, individual and group physical therapy are limited to four (4) units per day. One unit equals 15 minutes. Evaluations are limited to four (4) units per State Fiscal Year (July 1 through June 30). One unit equals 30 minutes. Extensions of the benefit limit will be provided if medically necessary for eligible Medicaid recipients under age 21.

Withdrawn
dated 3/1/02

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 3.1-B
Page 5b

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

Revised: May 1, 2002

MEDICALLY NEEDY

12. Prescribed drugs, dentures and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist (Continued)

c. Prosthetic Devices (Continued)

(5) Orthotic Appliances

Services for recipients under age 21 are not benefit limited.

Services for recipients age 21 and over are limited to \$3,000 per State Fiscal Year (July 1 through June 30). When the Medicaid maximum allowable for an orthotic appliance is \$500 or more, prior authorization is required. Specific covered orthotic appliances are listed in Section III of the Prosthetics Provider Manual.

(6) Prosthetic Devices

Services for recipients under age 21 are not benefit limited.

Services for recipients age 21 and over are limited to \$20,000 per State Fiscal Year (July 1 through June 30). When the Medicaid maximum allowable for a prosthetic device is \$1,000 or more, prior authorization is required. Specific covered prosthetic devices are listed in Section III of the Prosthetics Provider Manual.

W. Phdraum
dated

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 4.19-B
Page 1j

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

Revised: May 1, 2002

4.b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age and Treatment of Conditions Found. (Continued)

- (8) The following services that are not otherwise covered under the Arkansas State Plan will be reimbursed when provided as a result of a Child Health Services (EPSDT) screening/referral (Continued):

b. Respiratory Care Services

Respiratory Therapy Services for Ventilator-Dependent

Reimbursement is based on the lesser of the provider's actual charge for the service or the Title XIX (Medicaid) maximum. The Title XIX maximum was established based on a 1990 survey of three Arkansas durable medical companies who employ respiratory therapists. The rate was established by using the median rate obtained by the DME companies.

Effective for claims with dates of service on or after July 1, 1992, the Title XIX maximum rate was decreased by 20%.

Effective for dates of service on or after May 1, 2002, reimbursement is based on a negotiated statewide competitive bid.

with down dated

letter
per
state
3-17-02

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 4.19-B
Page 1k

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

Revised: May 1, 2002

4.b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age and Treatment of Conditions Found. (Continued)

(8) The following services that are not otherwise covered under the Arkansas State Plan will be reimbursed when provided as a result of a Child Health Services (EPSDT) screening/referral (Continued):

c. Services of Christian Science Nurses

Christian Science nurses are not licensed to practice in the State.

d. Care and Services Provided in Christian Science Sanatoria

There are no Christian Science Sanatoria facilities in the State.

withdrawn by
dated

3-17-08

per letter
3-17-08